

ADVISORY OPINION 95-007

Any advisory opinion rendered by the registry under subsection (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is required. KRS 121.135(4).

April 23, 1995

Mr. Nathan Smith
Director of Government Affairs
Home Builders Association of Northern Kentucky
209 Grandview Drive
Ft. Mitchell, Kentucky 41017

Dear Mr. Smith:

This is in response to your March 22, 1995, letter in which you request an advisory opinion regarding whether the Political Housing Club of Northern Kentucky, a political action committee (PHC-NK PAC) of the Home Builders Association of Northern Kentucky ("Home Builders"), a corporation, may host a golf outing on September 12, 1995. State legislators will be invited to participate in the tournament, which will be partially financed by Home Builders and other corporate funds. You have further advised Registry staff that corporate funds will be used for refreshments and to sponsor golfers for the PHC-NK PAC golf tournament. Golf participants will be solicited, but not required to contribute to the PHC-NK PAC.

Section 150 of the Kentucky Constitution, KRS 121.025, and KRS 121.035(2) prohibit corporate contributions.

KRS 121.035(2) provides that:

No officer, agent, attorney, or employee of any corporation organized or authorized to do business in this state or in another state, or person acting for or representing any such corporation, shall disburse, distribute, pay out, or in any way handle any money, funds, or other thing of value that belongs to or has been or is being furnished by any such corporation...to be used or employed in any way for the purpose of aiding, assisting, or advancing any candidate for public office in this state in any way whatever.

KRS 121.150(21) also provides that "[n]o candidate, slate of candidates, committee, except a political issues committee, or contributing organization, nor anyone on their behalf, shall "knowingly" accept a contribution from a corporation, directly or indirectly. (Emphasis added)

Although the facts provided in your letter indicate that corporate funds will not be contributed directly to PHC-NK PAC, corporate funds will, however, partially finance the event. The corporate funds used to sponsor a fundraiser for PHC-NK PAC would constitute an indirect corporate contribution to the PAC. in violation of Section 150 of the Kentucky Constitution, KRS 121.035(2), and KRS 121.150(21).

In response to your inquiry regarding whether legislators may participate in your golf outing, we suggest that you contact the Legislative Ethics Commission which regulates legislators and legislative agents.

If you have any questions, please contact the Registry at (502) 573-2226.

Sincerely,

Rosemary F. Center
General Counsel

RFC:MSP/db